Calendar No. 441 PATH CONGRESS H. R. 6461

IN THE SENATE OF THE UNITED STATES

November 11, 1975
Read twice and ordered to be placed on the calendar

AN ACT

To amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That this Act may be cited as the "Public Broadcasting
- 4 Financing Act of 1975".
- 5 SEC. 2. Subsection 396 (k) of the Communications Act
- 6 of 1934 is amended by inserting, after paragraph (2), the
- 7 following paragraphs:
- 8 "(3) There is hereby established in the Treasury a fund
- 9 which shall be known as the 'Public Broadcasting Fund,'
- 10 administered by the Secretary of the Treasury. There are

authorized to be appropriated to such fund for each of the 1 fiscal years during the period beginning July 1, 1975, and 2 ending September 30, 1978, an amount equal to 40 per 3 centum of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year 5 second preceding each such fiscal year, for the period July 1, 6 1976, through September 30, 1976, an amount equal to 10 per centum of the total amount of non-Federal financial sup-8 port received by public broadcasting entities during the fiscal 9 year ending June 30, 1975, and for each of the two fiscal 10 years ending during the period beginning October 1, 1978, 11 and ending September 30, 1980, an amount equal to 33\frac{1}{3} 12 per centum of the total amount of non-Federal financial 13 support received by public broadcasting entities during the 14 fiscal year second preceding each such fiscal year; except 15 that the amount so appropriated shall not exceed \$88,000,-16 000 for the fiscal year ending June 30, 1976; \$22,000,000 17 for the period July 1, 1976, through September 30, 1976; 18 \$103,000,000 for the fiscal year ending September 30, 19 1977; \$121,000,000 for the fiscal year ending Septem-20 ber 30, 1978; \$140,000,000 for the fiscal year ending 21 September 30, 1979; and \$160,000,000 for the fiscal year 22 ending September 30, 1980. 23

"(4) The funds authorized by this subsection shall be

used solely for the expenses of the Corporation. The Corporation shall determine the amount of non-Federal financial 2 3 support received by public broadcasting entities during each of the fiscal years indicated in paragraph (3) of this sub-4 section for the purpose of determining the amount of each 5 authorization, and shall certify such amount to the Secretary 6 of the Treasury. Upon receipt of such certification, the Sec-7 retary of the Treasury shall disburse to the Corporation, from S such funds as may be appropriated to the Public Broadcast-9 ing Fund, the amount authorized for each of the fiscal years 10 and for the period July 1, 1976, through September 30. 11 12 1976, pursuant to the provisions of this subsection. A significant portion of such funds, including those funds distributed 13 pursuant to paragraph (5) of this subsection, shall be utilized 14 for the development and dissemination of instructional pro-15 gramming. 16 "(5) The Corporation shall reserve for distribution 17 among the licensees and permittees of noncommercial edu-18 cational broadcast stations that are on the air an amount 19 equal to not less than 40 per centum of the funds disbursed 20 to the Corporation from the Public Broadcasting Fund dur-21 ing the period July 1, 1975, through September 30, 1976, 22 and in each fiscal year in which the amount disbursed is 23 \$88,000,000 or more, but less than \$121,000,000; not less 24

than 45 per centum in each fiscal year in which the amount

- disbursed is \$121,000,000 or more, but less than \$160,000,-
- 2 000; and not less than 50 per centum in each fiscal year in
- 3 which the amount disbursed is \$160,000,000.
- 4 "(6) The Corporation shall, after consultation with
- 5 licensees and permittees of noncommercial educational
- 6 broadcast stations that are on-the-air, establish, and review
- 7 annually, criteria and conditions regarding the distribution of
- 8 funds reserved pursuant to paragraph (5) of this subsection,
- 9 as set forth below:

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- "(A) The total amount of funds shall be divided into two portions, one to be distributed among radio stations, and one to be distributed among television stations. The Corporation shall make a basic grant from the portion reserved for television stations to each licensee and permittee of a noncommercial educational television station that is on-the-air. The balance of the portion reserved for television stations and the total portion reserved for radio stations shall be distributed to licensees and permittees of such stations in accordance with eligibility criteria that promote the public interest in noncommercial educational broadcasting, and on the basis of a formula designed to—
 - "(i) provide for the financial need and requirements of stations in relation to the communities and audiences such stations undertake to serve;

L	"(ii) maintain existing, and stimulate new,
2	sources of non-Federal financial support for stations
3	by providing incentives for increases in such sup-
4	port; and

- "(iii) assure that each eligible licensee and permittee of a noncommercial educational radio station receives a basic grant.
- "(B) No distribution of funds pursuant to this subsection shall exceed, in any fiscal year, one-half of a licensee's or permittee's total non-Federal financial support during the fiscal year second preceding the fiscal year in which such distribution is made.
- "(7) Funds distributed pursuant to this subsection may 13 be used at the discretion of stations for purposes related to 14 15 the provision of educational television and radio program-16 ing, including but not limited to the following: producing, acquiring, broadcasting, or otherwise disseminating educa-17 18 tional television or radio programs; procuring national or regional program distribution services that make educational 19 television or radio programs available for broadcast or other 20 dissemination at times chosen by stations; acquiring, replac-21 ing, and maintaining facilities, and real property used with 22 facilities, for the production, broadcast, or other dissemina-23

tion of educational television and radio programs; developing

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- 1 and using nonbroadcast communications technologies for
- 2 educational television or radio programing purposes.".
- 3 Sec. 3. Subsection 396 (b) of the Communications Act
- 4 of 1934 is amended by adding at the end thereof the follow-
- 5 ing: "The Corporation shall be subject to the provisions of
- 6 titles VI, VII, and IX of the Civil Rights Act of 1964, in
- 7 the same manner and to the same extent as Federal depart-
- 8 ments and agencies.".
- 9 Sec. 4. Subsection 396 (g) (1) of the Communica-
- 10 tions Act of 1934 is amended by deleting the period after
- 11 the word "broadcasting" and inserting the following: "and
- 12 the use of nonbroadcast communications technologies for the
- 13 dissemination of educational television or radio programs.".
- 14 Sec. 5. Subsection 396 (i) of the Communications Act
- 15 of 1934 is amended by inserting at the end thereof the fol-
- 16 lowing sentence: "The officers and directors of the Cor-
- 17 poration shall be available to testify before appropriate
- 18 committees of the Congress with respect to such report, the
- 19 report of any audit made by the Comptroller General pur-
- 20 suant to subsection 396(1), or any other matter which any
- 21 such committee may determine.".
- SEC. 6. Section 397 of the Communications Act of 1934
- 23 is amended by inserting, after paragraph (9), the following
- 24 paragraphs:

- "(10) The term 'non-Federal financial support' means
 the total value of cash and the fair market value of property
 and services (except for personal services of volunteers)
 received—
- "(A) as gifts, grants, bequests, donations, or other 5 contributions for the construction or operation of non-6 commercial educational broadcast stations, or for the pro-7 duction, acquisition, distribution, or dissemination of 8 educational television or radio programs, and related 9 activities, from any source other than (i) the United 10 States or any agency or establishment thereof, or (ii) 11 any public broadcasting entity; or 12

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- "(B) as gifts, grants, donations, contributions, or payments from any State, any agency or political sub-division of a State, or any educational institution, for the construction or operation of noncommercial educational broadcast stations or for the production, acquisition, distribution or dissemination of educational television or radio programs, or payments in exchange for services or materials respecting the provision of educational or instructional television or radio programs.
- "(11) The term 'public broadcasting entity' means the Corporation, any licensee or permittee of a noncommercial

- 1 educational broadcast station, or any nonprofit institution en-
- 2 gaged primarily in the production, acquisition, distribution or
- 3 dissemination of educational television and radio programs.".

Passed the House of Representatives November 10, 1975.

Attest:

W. PAT JENNINGS,

Clerk.

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